

Terms and Conditions of Sale and Delivery

§ 1 Scope

(1) These Terms and Conditions of Sale and Delivery (hereinafter "Terms and Conditions") shall apply exclusively to entrepreneurs, legal persons under public law or special funds under public law within the meaning of section 310 (1) of the German Civil Code (*Bürgerliches Gesetzbuch*, "BGB").

(2) Our Terms and Conditions shall govern all of the supplier's deliveries exclusively and are hereby incorporated into all agreements that the seller enters into with its counterparties in connection with the deliveries or services it offers. In particular, they shall also apply *mutatis mutandis* to all services performed by the supplier pursuant to a contract for work and services under German law (*Werkleistungen*). They shall also apply to all future deliveries, services or offers to the customer, even where they are not separately agreed again.

Any deviating or contradictory terms in the customer's standard terms and conditions shall not apply unless we have expressly agreed to their application in writing.

§ 2 Offer, order and order acceptance

(1) All offers made by the supplier shall be non-binding and subject to change unless they are expressly labeled as binding or made subject to a specific acceptance period. The supplier shall be able to accept orders within eight weeks of receipt. The supplier shall be under no obligation to accept an order. An agreement is formed only once the supplier has confirmed the order in writing. The customer shall check each order confirmation without undue delay. In the event that an order confirmation does not correspond to the order, the customer must object to it in writing within five business days, failing which the order confirmation shall be deemed to have been accepted.

(2) The legal relationship between the supplier and the customer shall be governed solely by the written agreement, including these Terms and Conditions, which shall constitute the entire agreement between the counterparties with respect to its subject matter. Any oral agreements made by the supplier prior to the date of the agreement shall be unenforceable and oral arrangements between the counterparties shall be superseded by the written agreement unless expressly agreed otherwise.

(3) Additions and amendments to the agreed provisions, including these Terms and Conditions shall require the written form. Transmission by means of telecommunication, in particular fax or e-mail, shall satisfy the written form requirement.

(4) The documentation belonging to the supplier's offer, such as figures, drawings, weight and measurement information shall be for informational purposes only unless expressly designated as binding. The supplier shall retain ownership of and copyrights to any cost estimates, drawings and other documentation; these shall not be made available to third parties. The supplier shall be required to obtain the customer's consent before making any plans designated as confidential available to third parties.

(5) The supplier shall be bound to its offer for four weeks following its receipt by the customer. Where the customer does not accept the offer in writing within the four-week acceptance period, the supplier shall no longer be bound by the offer. Late acceptance by the customer or any variation to the offer shall constitute

a new offer from the customer. In such an event, an agreement shall only be formed where the supplier confirms the order in writing.

(6) The supplier's delivery obligations shall be conditional upon proper and timely delivery by its own suppliers unless the supplier itself is responsible for the improper or delayed delivery.

§ 3 Cancellation or amendment

Following the supplier's acceptance of the order, the customer shall no longer have the right to cancel or amend the order without written approval from the supplier. Wherever an amendment or cancellation of an accepted order is duly agreed at the customer's request, the customer shall be liable for any ensuing costs/expenses incurred by the supplier or lost profits.

§ 4 Price and payment

(1) Where no express provision is agreed to the contrary, prices shall be ex works (Incoterms 2020), from the supplier's premises, including loading at the premises, but without packaging. Prices shall be subject to value-added tax as required by law.

(2) Subject to an express agreement to the contrary, payments for the delivery of machinery, conveyor lines or other equipment shall be made without any deduction whatsoever. Where not otherwise agreed, 30% shall be payable upon receipt of the order confirmation and deposit invoice, a further 60% when the customer is informed that the goods are ready for shipment and the remaining 10% no later than 30 days after the goods are delivered and the final invoice is received. In the event that the customer does not pay on time, any outstanding amounts shall accrue interest at the statutory rate from the payment due date without further notice; this is without prejudice to the right to seek damages or any other rights in connection with late payment.

(3) Subject to any express agreement to the contrary, payments shall be paid without any deduction ex paying agent of supplier within 10 days of invoice issuance for the delivery of spare parts and other deliveries and services.

(4) The customer shall have no right to withhold payment or right of set-off unless its claims are uncontested or have been adjudicated and such claims arise within the context of the legal relationship connected to the relevant delivery.

§ 5 Delivery time, force majeure, material shortages

(1) The delivery period shall be the period stated in the order confirmation or the supplier's offer, where such offer was accepted by the customer in a timely manner. The delivery period shall only be binding where it is expressly agreed as such in the order confirmation. Delivery by the supplier within a duly agreed, binding delivery period shall require that all commercial and technical matters have been agreed between the

counterparties, and that the customer has discharged all of its obligations, including but not limited to, the customer's duty to furnish any documents, original samples of the products to be packaged, official certifications or approvals, clearances, or remit the agreed advance payment. Failing this, the delivery period shall be extended as appropriate.

(2) The delivery shall be deemed to be on time if the delivery item has left the supplier's premises or the customer has been notified that it is ready for shipment.

(3) The delivery period shall be extended as appropriate in the event of force majeure. Force majeure shall constitute all unforeseen matters or such matters that, even if foreseeable, were beyond the control of the supplier and whose effects on the performance of the agreement could not be prevented by the supplier's reasonable efforts, including, but not limited to, fire, earthquake, mudslides, etc., war or war-like conditions, epidemics, pandemics, unrest, governmental measures, electrical blackouts, labor disputes, such as strikes and lockouts, or the lack of availability of materials and electrical components on the global market and similar circumstances, so long as it can be demonstrated that such obstacles materially affect the production or delivery of the delivery items. The same shall apply where subcontractors experience such circumstances. The supplier shall also not be liable where the aforementioned circumstances arise once a delay has already occurred. The supplier shall notify the customer of the beginning and end of any such obstacles as soon as possible. This is without prejudice to § 2 (6) and the supplier's statutory rights of rescission and termination and any statutory provisions governing the rescission of the agreement where an obligation cannot be performed (including but not limited to where performance and/or cure becomes impossible or unreasonable). Events of force majeure and any ensuing delivery delays experienced by upstream suppliers shall not constitute a default. After a period of eight weeks following the onset of a delay due to an event of force majeure affecting the supplier, the parties shall be entitled to rescind the individual order without incurring liability to the other party. The supplier shall inform the customer within a reasonable period of time of the reasons for the rescission or for extending the period after becoming aware of them.

(4) Both parties understand the global supply chain and the fact that it is subject to uncertainties relating to pandemics, epidemics, war, state regulations, governmental measures (including sanctions), unrest and general shortages of electronic components, as well as the availability and cost of other commodities, which can affect the costs of both parties and/or delivery dates. In the event that one of the aforementioned challenges arises, the parties shall work together in good faith to reasonably modify the delivery dates and/or prices of the products to be delivered to the customer to ensure that the individual order can be fulfilled. Where the parties are unable to agree on a mutually acceptable reasonable modification to the agreement within 15 business days (as a final negotiation deadline, from the day on which at least one party declares in writing that negotiations have failed), the parties shall be relieved from discharging the individual order upon one party's written rescission of the individual order without incurring liability to the other party. However, where the customer rescinds, the supplier shall have the right to claim reimbursement of the expenses incurred under the individual order, including but not limited to, any customer-specific material that has already been made. The customer shall have the right to demonstrate that the materials can reasonably be used elsewhere, in which case the liquidation proceeds shall be offset against the claim. The provisions contained in this paragraph (4) shall be controlling over (3).

(5) In the event that the goods are not accepted, the supplier, without prejudice to its other rights, shall be entitled following the expiration of a reasonable grace period, to dispose of the goods otherwise or rescind the agreement. This is without prejudice to any of the supplier's contractual and statutory rights.

(6) In the event that the supplier is in default of delivery or performance of a service, or should delivery or performance become impossible for any reason, the liability of the supplier shall be limited to damages in accordance with § 10 of these Terms and Conditions.

§ 6 Place of performance, shipment, risk transfer and acceptance

(1) The place of performance for obligations arising under the contractual relationship shall be D-49584 Fürstenau or D-49832 Freren, at our discretion, where no other place of performance or delivery is expressly stated in our order.

(2) Shipment method and packaging shall be at the due discretion of the seller.

(3) Risk shall transfer to the customer no later than upon dispatch of the delivery items from the supplier's premises; this shall also apply to partial deliveries or where the supplier performs other services, such as shipping costs or transportation or installation. At the customer's request and cost, the supplier shall insure the consignment against theft, breakage, transport, fire and water damage and any other insurable risks. In the event that the shipment is delayed due the fault of the customer, risk shall transfer to the customer on the day that the customer is notified that the good are ready to be shipped. At the customer's request and expense, the supplier shall take out insurance. The terms and scope of the insurance shall be based on the customer's written instructions.

(4) Delivered goods, including goods with non-material defects, shall be accepted by the customer without prejudice to its other contractual rights.

Partial deliveries shall be permissible where reasonable for the customer.

§ 7 Retention of title

(1) The supplier shall retain legal title to the delivered goods until full payment has been rendered. The retention of title shall also apply until all, including future and conditional, accounts receivable arising from the commercial relationship between the customer and supplier have been discharged.

(2) The customer shall be prohibited from pledging the goods or transferring the goods as security, but shall be entitled to dispose of the reserved goods in the ordinary course of business. The customer hereby assigns any such accounts receivable arising in connection with its business partners to the supplier.

(3) In the event that the customer processes or finishes the goods, the retention of title shall also extend to the new item. The customer shall acquire part ownership of a fractional share in proportion to the value of its goods in relation to the goods delivered by the supplier.

(4) Where the cumulative value of the security held by supplier exceeds existing claims by more than 10% for a sustained period, the supplier shall at the customer's request release the security interests of the supplier's choosing.

(5) The supplier shall be entitled to enforce its retention of title without rescinding the agreement.

§ 8 Intellectual property

The supplier shall remain the sole legal and beneficial owner of any intellectual property it creates or has otherwise acquired by law. Any intellectual property of the supplier disclosed to the customer by the supplier, as well as all rights and duties arising therefrom, shall remain the sole property of the supplier and must be kept confidential by the customer. Any contractual rights of use or licenses granted by the supplier shall be confined to the use/resale/storage and servicing of the material products delivered by the supplier. Use of the supplier's trademarks shall be prohibited without the supplier's consent.

§ 9 Warranty

(1) The customer shall inspect the delivered items immediately upon receipt, as set out in section 377 of the German Commercial Code (*Handelsgesetzbuch*, "HGB"), and notify the supplier in writing of any defects without undue delay. The supplier shall only recognize a notice of defect as such if it is submitted in writing. Notices of defects lodged against sales agents, transporters or other third parties shall not constitute a formal and timely notice of defect. The material defect definition set out in section 633 BGB shall also apply in the case of a contractual relationship between the parties to a sales contract.

(2) In the event that performance is cured in response to a justified and timely notice of defect, the provisions relating to delivery period shall apply accordingly. The supplier shall be afforded a reasonable grace period of no less than six weeks to remedy any defects.

(3) The customer shall have the following rights in the event of a defect: All parts that prove to be defective when risk is transferred shall be repaired or replaced, at the supplier's discretion, free of charge. Furthermore, the supplier shall have the right to a second attempt to cure performance, again at its discretion, if the first attempt is not successful. Should the second attempt to cure performance prove unsuccessful, the purchaser shall have the right to rescind the contract if the defect is material, or to an appropriate reduction in price. Replaced parts shall be the property of the supplier.

(4) The supplier accepts no responsibility for defects arising for the following reasons: Improper or inappropriate use, improper assembly or commissioning by the customer or third parties, natural wear and tear, incorrect or negligent handling, unsuitable operating materials, substitute materials, defective construction, unsuitable construction sites, chemical, electrochemical or electrical influences that are not attributable to the fault of the supplier. In addition, the supplier accepts no responsibility for defects in title arising as a result of compliance with the detailed instructions received from the customer, such as technical drawings, designs, recipes or other specifications; the customer shall be liable to the supplier in this respect. The supplier shall not indemnify the customer against any third-party claims.

(5) After consulting with the supplier, the customer shall afford it the necessary time and opportunity to effect any repairs or replacements the supplier deems necessary, failing which the supplier shall be released from its liability for the defect.

(6) Where the defect in the delivery item relates to a defective part that can be easily removed and replaced, the supplier shall be entitled to send the customer the relevant spare part free of charge for the customer to install at its expense. In such cases, the customer shall not be entitled to demand that the supplier perform the installation of the part.

(7) Where the customer or a third party carries out improper alterations or maintenance work without the supplier's consent, the supplier shall not be liable for the consequences thereof (including, but not limited to, the remediation of defects becoming unreasonably difficult or impossible). In any event, the customer shall bear any remediation costs arising from the alteration.

§ 10 Liability

(1) The supplier shall only be liable for any damage, howsoever arising in law, that is caused by the gross negligence or willful conduct of the supplier itself, its legal representatives or vicarious agents. All further liability is hereby excluded. In the event of a culpable breach of material contractual duties, the supplier's liability shall be limited to customary, reasonably foreseeable damages, except in cases of willful conduct and gross negligence on the part of the proprietor or senior executives. The customer undertakes to cooperate adequately with the supplier to mitigate damage; in particular, the consent of the supplier must be obtained in connection with negotiations with third parties that could influence the extent of the damage for which recovery would be sought, e.g., entering into a settlement agreement. The exclusion of liability shall not affect liability for faults in the delivery item under the German Product Liability Act (*Produkthaftungsgesetz*), which provides for liability for personal injury or material damage to private property, in the event of guaranteed characteristics or due to injury to life, limb or health.

(2) The aforementioned exclusions and limitations of liability shall apply equally in favor of the supplier's corporate bodies, legal representatives, employees and other vicarious agents.

(3) Where the supplier provides technical information or advisory services and such information or advisory services are outside the scope of its contractually agreed duties, they shall be provided free of charge and to the exclusion of any and all liability, except in the case of the willful conduct.

§ 11 Limitation of actions

Any and all claims the customer may have relating to warranty or howsoever arising under law shall be time-barred after 12 months. The statutory limitation period shall apply in the event of willful or fraudulent conduct or claims arising under the Product Liability Act. In the event of delay to the shipment, installation and commissioning of the delivery item, or a necessary acceptance of a service provided by the supplier where such delay is not due to the fault of the supplier, liability for defects shall be extinguished no later than 12 months after risk transfer, even where the items remain at the supplier's premises. Where material elements are third-party products, the supplier's liability shall be limited to the assignment of the supplier's liability claims against the party that supplied the third-party product.

§ 12 Jurisdiction and governing law

(1) For any disputes arising directly or indirectly in connection with the contractual relationship, proceedings shall be brought at the court with jurisdiction for the location where the supplier has its headquarters, namely the Local Court (*Amtsgericht*) of Bersenbrück or the Regional Court (*Landgericht*) of Osnabrück. The supplier shall be entitled to bring suit in the general jurisdiction of the customer at its discretion.

(2) German law shall apply exclusively; the United Nations Convention on Contracts for the International Sale of Goods (CISG) is hereby excluded.

§ 13 Miscellaneous

(1) Should any provision hereof or any other agreed provisions be or become invalid or contain any omissions, this shall not affect the validity of the remaining provisions. The counterparties undertake to replace the invalid provision with a legally valid provision that mostly closely reflects the commercial intent of the original provision or rectifies the omission as the case may be.